



CITY OF MORGAN HILL

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PLANNING COMMISSION MEETING MINUTES

REGULAR MEETING

MARCH 26, 2002

PRESENT: Acevedo, Benich, Lyle, McMahon, Mueller, Sullivan, Weston

ABSENT: None

LATE: None

STAFF: Planning Manager (PM) Rowe, Senior Planner (SP) Linder, Assistant Planner (AP) Plambaeck, and Minutes Clerk Johnson

Chair Sullivan called the meeting to order at 7:02 p.m.

DECLARATION OF POSTING OF AGENDA

Minutes Clerk Johnson certified that the meeting's agenda was duly noticed and posted in accordance with Government Code Section 54954.2.

OPPORTUNITY FOR PUBLIC COMMENT

Chair Sullivan opened the public hearing.

With no persons indicating a wish to speak, the public hearing was closed.

MINUTES:

February 26, 2002 **COMMISSIONERS MUELLER/McMAHON MOTIONED TO APPROVE THE FEBRUARY 26, 2002 MINUTES WITH THE FOLLOWING AMENDMENTS:**

Page 6 Paragraph 5: ~~competition~~ competition's

Page 8 Paragraph 10 (cont page 9) last sentence: ~~this is tied into the talk of a future phase of the development.~~ that the criteria requires future phases of the development to be within .25 miles walking distance of the bus stop.

Page 13 top paragraph: ~~sprinkle~~ spread attached

Page 15 last paragraph: [add] Commissioner Lyle also raised the following issue for Housing Type criteria number 2: Housing needs has special language encouraging/allowing joint ventures with non-profits to get maximum points under

different, affordable scenarios. He stated, this language is not currently present in the Housing Types section (but should be added). Continuing, Commissioner Lyle said, "If the project proceeds with the joint project it should get the 3 points the applicant requested. If the project provides the alternative commitment stated in Housing Needs it should continue to get the 4 points."

THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: ACEVEDO, BENICH, LYLE, MCMAHON, MUELLER, SULLIVAN, WESTON; NOES: NONE ; ABSTAIN: NONE; ABSENT: NONE.

Chair Sullivan welcomed members of the Architectural Review Board: Jerry Pyle, Jim Fruit, Yarmila Kennett, and Rod Martin. Jim Fruit, Chair of the Architectural Review Board declared the meeting of that body open for the purpose of attending and participating in the workshop to discuss the Safeway/Tennant Station expansion development plans.

Due to a potential conflict of interest on that item of business, Commissioner Acevedo was excused at 7:09 p.m.

Chair Sullivan announced this item is to be a workshop only, no decisions will be made by either the Planning Commission nor the Architectural Review Board at the meeting tonight.

**1) WORKSHOP
TO DISCUSS
SAFEWAY/
TENNANT
STATION
EXPANSION
DEVELOPMENT
PLANS**

A request to amend the precise development plan for the Tennant Station Shopping Center to allow for the construction of a 54,799 sq. ft. office building, and a 14-pump fuel center. PM Rowe presented the staff report. He then stated that as part of the information provided Commissioners on January 22, 2002, several items were presented and discussed:

- The fuel center location
- Parking utilization on site
- The office building location

Subsequently, PM Rowe reported, the applicant has stated that the fuel center must remain on the corner for "market visibility" or they will not proceed with the project. Moreover, placement of the fuel center at any other location in the shopping center would effectively void the agreement that exists between Safeway and the shopping center owner allowing for redevelopment of the shopping center. The applicant proposed a decorative screen wall and other landscape and design elements at the street corner, to address the visual concerns expressed by staff.

The Commissioners felt that there might be better locations in the project for the fuel station, and since agreement with the applicant was not reached, a decision for forwarding the matter to the City Council for resolution was made. The Commission forwarded a recommendation to the City Council to approve the zoning amendment allowing for the shopping center expansion. As part of that action, the Council also requested that the "PUD Guidelines" be returned to the Planning Commission for further review.

The City Council reviewed the zoning amendment application at its February 6, 2002

meeting. After a lengthy discussion, the Council voted to allow the fuel center at the corner location. However, in approving the applicant's request, the Council agreed with the Commission that the fuel center design and site layout was unacceptable. It was the consensus to the Council that the final design for the fuel center had to include retention of the existing mature landscaping and that the canopy and kiosk building had to be "well designed to a high standard." On a 5-0 vote, the Council referred the zoning application back to the Planning Commission so that the design issues of the shopping center expansion could be adequately addressed.

PM Rowe also pointed out that in considering the request presented to the Commissioners at the March 12, 2002 meeting for a workshop this evening, Commissioners agreed that the following items would be the focus of discussion during the workshop:

- 1) Safeway Fuel Center:
 - Orientation and setback of the pump island and canopy in relation to the Tennant and Monterey intersection.
 - The design of the fuel center kiosk and canopy as it relates to the design of the Tennant Station Shopping Center and the nearby Vineyard Town Center. The fuel center needs to be of well designed to a high standard and well integrated with the design of the two shopping centers.
 - Height of canopy and height of the fascia on the canopy.
 - Public accessible restrooms at the fuel center.
 - Exit strategy for the fuel center.
- 2) Signage and changes to the Uniform Sign Program for the Shopping Center
- 3) Site Layout & Circulation
 - Width of the driveway aisle between the proposed Safeway and the existing bowling alley building.
 - Design and appearance of the driveway entrance on Vineyard. This driveway currently functions as, and should appear as one of the primary shopping center entrances.
 - Ingress and egress from the fuel center and the shopping center as a whole.
 - Pedestrian access between the east side building and uses and west side parking lot area. Overall pedestrian safety/location of sidewalk next to a circulation aisle on the east elevation of the proposed Safeway building.
- 4) Landscaping
 - Restoration and maintenance of existing landscaping.
 - Replacement of some of the mature redwood trees with lower profile trees (more canopy width)
- 5) Movie Theater Expansion
- 6) Exterior Lighting
- 7) Treatment of proposed Safeway Vineyard building elevation Compatibility between new and existing architecture.

Commissioner Lyle asked the status of the traffic report? It was reported that the scope of work for the study had been completed and the study itself should be completed soon.

Commissioner Weston offered a statement indicating that a position of the Commission should be: We are not inclined to be doing workshops on all projects coming before us. Generally the use and site plans are considered with discussion held and changes obtained

as warranted. By allowing this workshop in a public forum, we hope to shorten the process. He stressed that having said that, he, personally, reserves the right to change his mind on any items as the discussion evolves.

At the invitation of Chair Sullivan, Commissioners indicated during discussion the method for addressing the items highlighted at the last meeting. By consensus, it was agreed that the list could be taken in order as presented. Further, Commissioners indicated they wished to proceed as far into the list as possible during the approximate one-hour time allotted to the workshop.

During the ensuing ideas exchange, Planning Commissioners and members of the Architectural Review Board conveyed reflection and/or consideration of the following items:

Fuel station

- Focal point/significant presence on the corner
- Possibility of having the building/kiosk with diagonally placement - triangle landscape right on the corner
- Massive blank wall facing the street
- Access to the fuel station - clearly stated that no new curb cuts should be allowed
- Moving the fuel station 'back quite a ways'
- Visual entrance to the City at Tennant and Monterey
- Whether a right turn only into the center should be encouraged; traffic stack-up if that idea is to be pursued
- Need for beauty through landscaping
- Potential for lowering the area for kiosk
- City gateway
- Possibility of moving the kiosk inside the fuel station building if it is to be manned
- Placement of public-access bathrooms
- Parking within the project
- Height of the fuel station canopy
- Visual effect of the height of the fuel station canopy
- Structural upgrades needed for continuity and visual effect
- Construction composition materials
- Set backs
- Need for 'not seeing' the gas station
- Desire for architectural openness effect to correspond with other projects in the immediate area
- The proposed 7-foot wall along the street - gives feeling of 'sound wall' to which City has objected previously
- Possible use of trellises to visually screen portions of the buildings
- Pedestrian access
- Safety
- Distances between buildings
- Signage
- Tunnel effects of design of delivery access areas
- Pedestrian movement/safety within the project
- Movie theater
- Potential use of bowling alley, billiards building, and the movie theater

-Potential for walls within the project being used for public art

While noticing this is not a public hearing, Commissioners and ARB members invited dialogue and participation of the audience.

Representatives of Safeway and the project who addressed issues were:

Jeff Fergot - architect for the fuel station
Galen Grant, architect for the project
Mike LaBarbera, applicant for the project
Todd R. Paradis, spokesman for Safeway

Responding to the deliberations of the Commissioners and the ARB, the representatives noted the following:

- Replacement/relocation of kiosk
- Agreement to lowering the canopy over the fuel pumps
- Potential for retail shops in the bowling alley area
- City involvement in financing movie theater expansion (applicant said it has become an operator/City issue)
- Reconfiguration of heights of buildings - if able to utilize current structure for corresponding re-roof for Safeway building
- Willingness to redesign / 'flip-flop' kiosk (including location)
- Emphasis on safety for motorists and pedestrians
- Signage (numbers and placement of)

David Fanara, 1960 Cochrane Rd., asked what will happen to the existing Safeway location if this project is approved? This is to be an additional store, the one on Cochrane will continue with business, Commissioners and Safeway representatives noted.

The workshop concluded at 8:11 p.m.

The Architectural Review Board adjourned at 8:12 p.m.

Commissioner Acevedo rejoined the Commissioners at 8:22 p.m. upon the resumption of business.

CONSENT CALENDAR:

2) ZA-01-18/ Adopt Resolution Nos. 01-69 (zoning amendment), 01-70 (subdivision) and 01-71
SD-01-04/DA-01-02: (development agreement) denying requests, with recommendation to forward the zoning
MCLAUGHLIN- amendment and development agreement requests to the City Council for denial.
JONES

COMMISSIONER LYLE/MUELLER OFFERED RESOLUTION NO. 01-69, RECOMMENDING DENIAL OF APPLICATION ZA 01-18 FOR A PRECISE DEVELOPMENT PLAN FOR A 9 UNIT R-2 (3,500)/RPD SINGLE-FAMILY RESIDENTIAL PLANNED DEVELOPMENT LOCATED ON THE EAST SIDE OF MCLAUGHLIN AVENUE, NORTH OF CENTRAL AVE. THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: BENICH, LYLE, MCMAHON, MUELLER, SULLIVAN, WESTON; NOES: ACEVEDO; ABSTAIN: NONE; ABSENT: NONE.

COMMISSIONER LYLE/MUELLER OFFERED RESOLUTION NO. 01-70, DENYING A 9-LOT SUBDIVISION ON A PORTION OF A 1.7-ACRE SITE LOCATED ON THE EAST SIDE OF MCLAUGHLIN AVENUE, NORTH OF CENTRAL AVE. THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: BENICH, LYLE, MCMAHON, MUELLER, SULLIVAN, WESTON; NOES: ACEVEDO; ABSTAIN: NONE; ABSENT: NONE.

COMMISSIONER LYLE/MUELLER OFFERED RESOLUTION NO. 01-71, RECOMMENDING DENIAL OF DEVELOPMENT AGREEMENT DA-01-02 FOR APPLICATION MP-00-03: MCLAUGHLIN-JONES. THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: BENICH, LYLE, MCMAHON, MUELLER, SULLIVAN, WESTON; NOES: ACEVEDO; ABSTAIN: NONE; ABSENT: NONE.

OTHER BUSINESS:

First discussion regarding **agenda item 9**, possible rescheduling of April 9, 2002 Planning Commission meeting: PM Rowe announced it may be necessary to reschedule or move the location for the regularly scheduled meeting of the Planning Commission, as the customary meeting room has been scheduled for an enforcement hearing by the City Council. During discussion, the possibility of other meeting locations or dates and times was discussed. PM Rowe was directed to confirm the use of the facilities available for April 9, 2002.

OLD BUSINESS:

Due to the large contingent to hear item 4, it was taken up at this time. PM Rowe excused himself during the discussion and any subsequent action, announcing that SP Linder would present the report.

4) REVIEW OF REBUTTAL LETTERS AND FINAL SCORING OF MEASURE P APPLICATIONS FOR FY 2003-04 OPEN MARKET COMPETITION

SP Linder gave the staff report, reminding that on February 26 and March 12, 2002, the Planning Commission held public hearings and received public testimony on each of the 11 projects submitted for this year's Residential Development Control System (Measure P) competition. The Public hearings were designed, she said, to allow the applicants and the public an opportunity to address the Commission and respond to the point recommendations contained in the February 26 staff report. Applicants were also invited to provide written responses to the point score recommendations. SP Linder continued, "At the conclusion of the public hearings, the Planning Commission gave direction to staff on those categories in each project evaluation that should be given further review, with staff recommendations for point adjustments, as warranted based on the discussions." SP Linder presented staff responses for those projects where the Planning Commission requested certain point assignments reevaluated, and/or where the Staff/DRC in its review, determined that an adjustment in the point score would be appropriate, as well as staff's point adjustment recommendations.

Global Adjustments

Schools: B2. Up to four additional points may be awarded to a project where: A safe walking route exists between the project site and existing or planned MHUSD schools. A safe route is defined as providing continuous sidewalks and/or paved pedestrian

pathways, cross walks and caution signals at designated street intersections between the project and a school site.

i. The project is within 3/4 of a mile of a school serving grades K through 3 where students are not required to cross railroad tracks, arterial or collector streets (one point).

ii. The project is within 3/4 of a mile of a school serving grades 4 through 6 where students are not required to cross railroad tracks or arterial streets (one point).

iii. The project is within 1.5 miles of a middle/intermediate school where students are not required to cross railroad tracks or arterial streets unless the most direct street crossing can occur at a signalized intersection (one point).

iv. The project is within 1.5 miles of a high school (one point)

The Commission requested staff to contact the School District to provide the definition and identify the method used to measure the distance from a school. The School District response was that the distance is measured from the currently requested project phase to the outer boundary of the nearest subject school, based on the distance a student would have to walk.

The Commissioners also requested that on a per-project basis, the School District give the actual measurement and identify the location from which the measurement was taken. The School District has reconfirmed, SP Linder said, that the measurement for each of the projects, as discussed in further detail under each individual project analysis.

The Commission has further requested that the District define "paved pedestrian path" and whether or not the path must be currently existing in order to get a point. The School District defines a paved pedestrian path as a concrete or asphalt sidewalk. A point is awarded if the path exists at the time of competition or it will be installed as part of the phase being requested.

Open Space: a. The project will receive three points for a commitment to purchase transferable development credits (TDCs) from property owners with land of greater than twenty percent slope. (Based upon the cumulative project to-date ratio of one TDC for every twenty-five dwelling units proposed.), OR

b. Projects of 24 units or less which do not provide a common park or open space will receive six points for a commitment to purchase double TDC's OR

c. Projects zoned R-2, R-3, or similar or higher density classification will receive 6 points for a commitment to purchase double TDC's.

The Commission asked staff to review the criteria and prorate the TDC commitment on a per-unit basis, SP Linder reported.

Proposed Scoring Method: Based on the percentage of unit type within the project, a project would be eligible for that same percentage of the points. Explaining that three projects would be directly affected by this scoring methodology (MP 01-04, 01-05 & 01-10), SP Linder said that using the prorate system, their scores could be calculated in this manner:

MP 01-04

88 SF (68%) $.68 \times 3 = 2.0$
41 MF (32%) $.32 \times 6 = 1.9$
129 (100%) $3.9 = 4$ pts.

MP 01-05

4 SF (25%) $.25 \times 3 = .8$
12 MF (75%) $.75 \times 6 = 4.5$
16 (100%) $5.3 = 5$ pts.

MP 01-10

18 SF (39%) $.39 \times 3 = 1.2$
28 MF (61%) $.61 \times 6 = 3.7$
46 (100%) $4.9 = 5$ pts.

Orderly and Contiguous:

B 4. A proposed development which is a subsequent phase of a previously approved project that has been awarded allotments provides for the continuous extension of existing development.

- A proposed development which is a subsequent or final phase of a previously allocated development and consists of 30 dwelling units or less shall be awarded two points. (two points)

Of special note, SP Linder announced: To qualify for any points under paragraph B4, the proposed development at total build-out, shall not exceed the number of units proposed in the original Development Application from which the project had been awarded an initial building allotment, unless approved by the Planning Commission prior to the competition's application submission deadline. The number of units requested for each subsequent fiscal year shall be no more than 25% above any single highest year allotment for the proposed project to a maximum of 30 units. The 25% or 30-unit limit includes any units already allocated to the project in that fiscal year as a result of a prior fiscal year competition. Further clarifying the issue, SP Linder reported that earlier phases of development must also be in compliance with the development schedule approved for the project.

Reminding that the Commission agreed that if projects added units within the same project boundary in order to take advantage of the new General Plan policies, it would not be counted against the project, SP Linder proceeded: The Commission also agreed that if an on-going project has an approved development agreement for a project phase, that phase should be counted as developed. Staff has rescored each of the projects accordingly.

Housing Needs:

B 2. Over and above the BMR units committed in this section, there is provision for an additional 10% detached units in an R-2 project or an additional 10% attached units in an R-1 project. (two points)

The Commission requested that staff go back and investigate each project that contained both Single Family and Multi-Family zoning, SP Linder said. The Commission wanted to know if the projects receiving the 2 points provided the "additional 10%" within each of the respective zoning districts within the project. Three projects would be directly affected by this reevaluation: MP-01-04, 01-05 & 01-10. Since each of these projects are ongoing, staff evaluated the currently requested project phases for compliance with the 10% requirement.

The Commission also wanted to know, SP Linder conveyed, what direction was given at the MP orientation meeting regarding this criteria. According to the staff Person who conducted the orientation, the instructions were to provide the 10% additional unit type within each of the respective zoning areas within a project.

SP Linder detailed that staff has re-evaluated each of the three projects 'by treating the R-1 and R-2 portions of a project phase as separate projects. Since clarification was

given regarding this criteria at the orientation, staff is recommending that projects meet the 10% requirement for each zoning district within the requested project phase, in order to be eligible for the 2 points.

INDIVIDUAL PROJECT ADJUSTMENTS ANALYSIS AND RECOMMENDATIONS:

MP-01-01: Peet-Alicante

Schools: No point changes recommended under this category.
(B2aiii, pg. 8) Britton Middle School is significantly more than 1.5 miles from the project. (B2aiv, pg. 8) The project is just about 1 mile from Live Oak, with a safe walking route via Cochrane Road and Mission View. New crosswalks and pathways will be provided by Developer.

MP 01-02: Cochrane-Coyote Estates

Schools: No point changes recommended under this category.
(B2ai & B2aii, pg. 7 & 8) As of 1/02 the Board of Education has not approved an elementary school within 3/4 miles of the project. (B2aiii, pg. 8) Britton Middle School is significantly more than 1.5 miles from the project. (B2aiv, pg. 8) The project is approximately 1.2 miles from Live Oak with a safe walking route via Peet to Cochrane Road and down Mission View. New crosswalks and pathways will be provided by Developer.

Circulation Efficiency: No point changes recommended under this category.
(Item 3d, pg. 61) The criteria calls for the elimination of an existing stub or substandard street. Malaguerra was not an existing stub street nor was Eagle View an existing substandard street. However, the proposed improvements on Cochrane Road will eliminate a substandard street section. Therefore, the project is entitled to the 2 points under this item. Since the project received the maximum number of points for this section the overall project score is unaffected and will remain at a total of 14 points for this category.

Orderly and Contiguous: No point change recommended under this category.
(Item 3, pg. 19) - A development agreement was recorded for Phase 6 of Coyote Estates in December 2001, and therefore, should be considered developed as identified below. The calculation correction would not result in a point change.

	TOTAL	DEVELOPED
North	3588.38	3588.38
South	2506.05	0
East	708.40	265.40 708.40
West	<u>1947.47</u>	<u>1947.47</u>
TOTAL	8750.30	5801.25 6244.25

~~66.3%~~ 71.4% of the project site is adjacent to existing development (4 points)

MP-01-03: Mission View-Mission Ranch (original score: 179; revised: 180)

Schools: No point changes recommended under this category.

(Item B2ai & B2aii, pg. 8) As of 1/02 the Board of Education has not approved an elementary school within 3/4 miles of the project. (Item B2aiii, pg. 8); (Item B2aiv; pg. 8); Walking route down Mission View. Britton Middle School is significantly more than 1.5 miles from the project. The project is approximately 0.7 miles from Live Oak. New crosswalks and pathways will be provided by the Developer.

Orderly and Contiguous: Staff recommends an amended score of 17 points under this category. (Item 3, pg. 17) - A development agreement was recorded for Phases 5 and 6 of Mission Ranch in December 2001, and therefore, should be considered developed as identified below. The calculation correction would result in an increase of one point.

	TOTAL	DEVELOPED
North	1227.4	550 922.47
South	2507.25	0
East	2494.76	520 1620
West	<u>2355.5</u>	<u>1420</u>
TOTAL	8584.91	2490 3962.47

~~29%~~ 46% of the project site is adjacent to existing development (2 - 3 points)

MP 01-04: Tilton-Glenrock/Shea (original score: 171; revised: 173)

Schools: No point changes recommended under this category.

(Item B2aiv, pg. 9) As specified in B2a, a safe route is defined as providing continuous sidewalks and/or paved pedestrian pathways, cross walks and caution signals at designated street intersections between the project and a school site. There are no easements or provisions for crossing the railroad tracks to get to the new high school. Therefore, a safe walking route does not exist. (Item B3a, pg. 10) Commitment is not commensurate to other commitments of equivalent sized projects. MP 98-32 already committed to do this work and there was no other alternative commitment offered.

Open Space: No point changes recommended under this category.

(Item 3, pg. 14 & 15) Based on the discussion under the global section of this report, the score under 3a. is reduced from 3 to 2; under 3c., the score is reduced from 6 to 2. The overall score in the open space category remains at 20, the maximum points possible.

Orderly and Contiguous: Staff recommends an amended score of 12 points under this category. (Item 4, pg. 22) - The Planning Commission has ruled that Madrone Crossing is a continuing project, and therefore, should receive two points as identified in the scoring illustrated:

MP-98-32 FY 2000-01	30 units
FY 2001-02	37 units
MP-99-12 FY 2002-03	15 units

[applicant requesting 30 units max (0-2 points)]

Housing Needs: Staff recommends an amended score of **13 points** under this category.

(Item B 2, pg. 34) This project phase is proposing 80 units within the R-1 12,000 zoning portion of the project. Seventy-four of the units are detached and 6 are attached. None of the 6 attached is a BMR unit. The R-2 portion includes 39 attached dwellings and 9 detached. The detached units represent 18 % of the R-2 units. The inclusion of the detached units within the R-2 portion of this phase is a required by Action 7.3 of the General Plan Land Use Element. Action 7.3 requires that the project provide detached units along Hale as a buffer to the multi-family development. Since the project has not provided the additional 10% within each of the zoning classifications, staff is recommending that the project not receive the 2 points under this criteria.

Circulation Efficiency: Staff recommends an amended score of **15 points** under this category. (Item B5c, pg. 3). Based on the determination by the Planning Commission that the Berryessa, Silveria/Morgante properties are not within the project boundaries, the project is entitled to 2 points under criteria B5c. The project score should be adjusted to 15 points for this category.

MP 01-05: Llagas-Delco (original score: 176; revised: 178/181)

Schools: No point changes recommended under this category.

(Item B2aiv, pg. 8) As specified in B2a, a safe route is defined as providing continuous sidewalk and/or paved pedestrian pathways. A safe walking route does not exist from the project to the new high school.

Open Space: Potential for an amended score of 20 points under this category.

(Item B 3, pg. 13) Based on the discussion under the global section of this report, if this project would have committed to 3c., the score under 3a would be reduced from 3 to 1, but 5 points would be assigned under 3c. This would increase their overall score from 17 to 20. The ability of this project to commit to 3c. is at the Commission's and applicants discretion. Should the project not commit to 3c, the points for this category would remain at 17.

Orderly and Contiguous:

Staff recommends an amended score of 18 possibly 19 points under this category.

(Item 4, pg. 20) - The Planning Commission has ruled that Monte Villa is a continuing project, and therefore, should receive two points.

MP-99-24	FY 2001-02	15 units
	FY 2002-03	12 units
MP-00-10	FY 2002-03	12 units
	FY 2003-04	7 units

MP-01-05 applicant requesting 16 units (0-2 points)

(Item 3, pg. 17) - The south boundary was considered developed only along the boundary directly south of the open space area; the adjacent "Twin Oaks" project was not considered developed. The scoring criteria states the following, "For scoring purposes, undeveloped property which by December 1st of the fiscal year the competition is held has received either final map approval, or development agreement approval for projects with previously completed phases(s), or for which building

permits have been issued, shall be considered to be developed property. "Twin Oaks did have development agreement approval by December 1, 2001; however, does not have previously completed phases as required by the scoring criteria. Twin Oaks is also separate project from Monte Villa. Therefore, Twin Oaks could not be considered developed. Should the Commission decide to consider Twin Oaks developed adjacency, the calculation shall be adjusted as follows:

	<u>TOTAL</u>	<u>DEVELOPED</u>
North	660	660
South	1182.07	321.76 1182.07
East	1247.56	957
West	<u>1444.43</u>	<u>975</u>
TOTAL	4534.06	2913.76 3774.07

~~64.3%~~ **83.2%** of the project site is adjacent to existing development. (4 5 points)

Housing Needs: No point changes recommended under this category.
(Item B 2, pg. 34) This phase of the project consists of a total of 16 units. All 16 units are within the R-2 zoning portion of the project. Twelve of the units are attached and four are detached. The four detached are 25% of the units in the R-2 phase of the project. The current project phase does not include any R-1 zoning areas. Since the project has provided the additional 10% within the R-2 phase requested, the project should maintain the 2 points under this criteria.

Circulation Efficiency: No point changes recommended under this category.
(Item 3b, pg. 57) The project provides for the westerly extension of Llagas Creek Drive to the Sparhawk subdivision. This connection will allow for better circulation in the area and complete a section of roadway that has been planned for years. Therefore, no point change is recommended under criteria B3b. (Pg. 58, B3d & Pg. 60, B5c) The project satisfies the criteria of B3d by eliminating a long existing substandard street section on Llagas Road (approximately 660 l.sf. Under B5c, the project provides for the needed dedication and commits to widening Llagas Road across the adjacent parcel frontage (approximately 280 l.sf. These improvements will further eliminate a substandard street section on Llagas Road. Therefore, no point change is recommended under either criteria B3d or B5c.

MP 01-06: Hill-Gera

Schools: No point changes recommended under this category.
(Item B2ai & B2aii, pg. 7) As specified in sections B2ai and B2aii, the project is within 3/4 miles of a school serving grades K through 3 and 4 through 6. The project is at least 1 mile from Nordstrom Elementary School as a student walks. (Item B2aiv, pg. 8) As specified in B2a, a safe route is defined as providing continuous sidewalk and/or paved pedestrian pathways. From the project to Live Oak, there is not a continuous sidewalk or paved pathway along Hill Road.

MP 01-07: Schaffer-Bamdad

Schools: No point changes recommended under this category.
(Item B2ai & B2aii, pages 7 & 8) The project is 0.75 miles from Nordstrom School via

Hill Road to East Dunne Avenue. (Item B2aiv, pg. 8) As specified in B2a, a safe route is defined as providing continuous sidewalk and/or paved pedestrian pathways. From the project to Live Oak, there is not a continuous sidewalk or paved pathway along Hill Road.

MP 01-08: Barrett-Ditri

Schools: No point changes recommended under this category.
(Item B2aiv, pg. 8) The project needs to be within 1.5 miles of the project. Live Oak High School is considerably further than 1.5 miles from the project.

Circulation Efficiency: No point changes recommended under this category.
(Pg. 58, B3d & Pg. 60, B5a & b) The project satisfies the criteria of B3d by eliminating substandard street at the end of Barrett Avenue. The construction of the cul-de-sac bulb will provided for proper turn-around movements in this location. Under B5a & b, the project provides for the needed dedication and commits to install cul-de-sac improvements that exceed the cost of \$1000/dwelling unit. Therefore, no point change is recommended under either criteria B3d or B5a & b.

MP 01-09: E. Central-Warmington

Schools: No point changes recommended under this category.
(Item B2ai, pg. 7) Students from lots 1-59 will have to cross Central Avenue (a collector street). (Item B2aiii, pg. 8) As described in section B2aiii, one point can be awarded if students are not required to cross railroad tracks or arterial streets unless the most direct street crossing can occur at a signalized intersection. The most direct route from the project to Britton would require a student to cross railroad tracks with no provisions for pedestrian crossing on Main Avenue.

Circulation Efficiency: No point changes recommended under this category.
(Pg. 57 2) Only two of the lots in the proposed phase are within 1/4 mile of bus stop. Therefore, the project does not satisfy the criteria for this section and should not receive the point.

Orderly and Contiguous: Points under this category are maximized. No point adjustments can be made. (Item 3, pg. 18) - Based on the correction made for Central Park (below), a change in the developed adjacency calculation for Morgan Lane is required.

	TOTAL	DEVELOPED.	
North	798	798	
South	572.17	572.17	
East	2399.92	1384.51	
West	1888.17	1599.76	1888.17
TOTAL	5658.26	4354.44	4642.85

~~76.9%~~ **82.1%** of the project site is adjacent to existing development (~~4~~ 5 points)

An additional change is required should the Commission decide to consider projects with approved development agreements but with no previously completed phases as

developed adjacency. However, no point adjustment would result.

	TOTAL	DEVELOPED
North	798	798
South	572.17	572.17
East	2399.92	1374.51 2133.03
West	1888.17	1599.76 1888.17
TOTAL	5658.26	4354.44 5391.37

~~76.9%~~ **95.3%** of the project site is adjacent to existing development (~~4~~ 5 points)

MP 01-10: Central-So. Valley Developers

Schools: No point changes recommended under this category.

(Item B2ai, pg. 8) As described in B2ai, the project is within 3/4 of a mile of a school serving grades K through 3 where students are not required to cross railroad tracks, arterial or collector streets. In order for the students to reach El Toro Elementary, students would have to cross Central Avenue, a collector street. (Item B2aiii, pg. 9) As described in section B2aiii, one point can be awarded if students are not required to cross railroad tracks or arterial streets unless the most direct street crossing can occur at a signalized intersection. The most direct route from the project to Britton would require a student to cross railroad tracks with no provisions for pedestrian crossing on Main Avenue. (Item B2aiv, pg. 9) As specified in B2a, a safe route is defined as providing continuous sidewalk and/or paved pedestrian pathways. Although in section B3b the developer proposed to install a decomposed granite pathway along the south side of Main Avenue, there is no letter of permission, easement or city right-of-way from the current property owners. Therefore, there is not a continuous walking route from the project to Live Oak.

Open Space: Staff recommends an amended score of 18 points under this category.

(Item Blc, pg. 14) The project path along the northern boundary of the site leads to a tot lot. Staff overlooked this when initially scoring the project. One point should be awarded. (Item 3a, pg. 16) Based on the discussion under the global section of this report, the score under 3a. is reduced from 3 to 1, and under 3c. the score is reduced from 6 to 4.

Orderly and Contiguous: No point changes recommended under this category.

(Item 3, pg. 19) - A development agreement was recorded for Phase 5A of Central Park in December 2001, and therefore, should be considered developed as identified below. The calculation correction would not result in a point change.

	TOTAL	DEVELOPED
North	1287	1287
South	1287	1287
East	987	697 987
West	987	578
TOTAL	4548	3849 4139

~~84.6%~~ **91%** of the project site is adjacent to existing development (5 points)

Housing Needs: No point changes recommended under this category.
(Item B2, pg. 37) This project phase is proposing 23 units within the R-1 zoning portion of the project. Seventeen of the units are detached and six are attached. One of the six attached is a BMR unit. The five attached, non BMR units are 21% of the units in the R-1 area. The R-2 portion includes 23 attached dwellings and three detached. The detached units represent 11.5 % of the R-2 units. Since the project has provided the additional 10% in each of the zoning areas, the project should maintain the 2 points under this criteria.

MP 01-11: Sunnyside-So. Valley Developers

Schools: No point changes recommended under this category.
(Item B2ai & B2aii, pg. 8 & 9) As specified in sections B2ai and B2aii, the project is within 3/4 miles of a school serving grades K through 3 and 4 through 6. The project is further than 3/4 miles of Paradise Valley as a student walks.

Orderly and Contiguous: No point changes recommended under this category.
(Item 3, pg. 19) A calculation change is required should the Commission decide to consider projects with approved development agreements, but with no previously completed phases as developed adjacency.

	TOTAL	DEVELOPED
North	357.38	357.38
South	858.34	858.34
East	1105.14	1105.14
West	1292.17	0 465
TOTAL	3613.03	2320.86 2785.86

~~64.2%~~ 77.1% of the project site is adjacent to existing development (4 points)

Concluding remarks by SP Linder provided the recommendation that the Planning Commission review the evaluations for those projects identified and then arrive at a final consensus for the point scores. Once the final ranking of projects has been determined, the Commission can begin to consider the distribution of building allotments. She also provided various distribution scenarios and background data to assist the Commission in evaluating those scenarios. Responding to questions, SP Linder provided a chart of allocation breakdown for FY 2003-2004.

Chair Sullivan opened the public hearing.

Phil Rowe (no address given), spoke on the criteria of Open Space. He explained that the focus in September at the orientation meetings had been definite in this category. He expressed concern that the Commission might consider changes in the point system now. He proclaimed that if he had known there would be consideration of changing 3A to 3C, then 3C would have been his original choice. He said that even though he has the highest score, he would not change the application now and urged Commissioners not to change 'in mid stream'.

Commissioner Lyle discussed the decision-making process of the Measure P subcommittee in working with staff and the developers in setting the scoring for the

application/allocation system.

Carolyn Hipp, 3160 Crow Canyon Place #200, San Ramon, representing Warmington Homes, indicated a letter sent to the Commissioners and Planning Department staff. "Referencing the criteria of Open Space, specifically sections 3.a and e,/TDC's, Page 14 and 15" Ms. Hipp said, "We are concerned about re-opening a new method of scoring this section, which is noticeably inconsistent with the past scoring practices of the exact same criteria. Additionally, we are troubled by this type of evaluation occurring in the middle of a Measure P Competition, as opposed to, reviewing it as an appropriate change to the ensuing 2002 Measure P Competition Standards and Criteria."

"Talking with other developers and applicants," Ms. Hipp said, "leads to the statement that projects containing R-1 and R-2 zoning have been submitting and receiving the same evaluative scores consistently and as precedence in past years based on the policy that you are either an R-1 or an R-2 project. Developers whose projects contain both R-1 and R-2 zoning have not voiced opposition to this method of scoring and we do not understand why it has become necessary to change the methodology of scoring now. We strongly urge the Planning Commission to remain consistent in their scoring of this criteria as evidenced by past practice, you are either R-1 or R-2, and reopen discussion of this issue as a part of the 2002 Standards and Criteria changes to be evaluated for next years competition," Ms. Hipp declared.

Continuing, Ms. Hipp said, in order to perfect administrative record, we are asking the Commission to preserve the rebuttal items identified below as Schools, B.2.a.iv and Lot Layout, B.2.a, which were presented at the 2/26/02 Planning Commission Meeting. "We reserve the right to reintroduce these elements as appropriate throughout the remainder of the 2001 Measure P process, in addition to presenting the following concerns herewith," she wrote. Schools: 18.78.210 B.2.a.iv: This project was awarded the full one point for this criteria during the 2001 Conceptual Review Measure P Scoring. The criterion under B.2.a reads: "A safe route is defined as providing continuous sidewalks and or paved pedestrian pathways, crosswalks and caution signals at designated street intersections between the project and a school site. Warmington received points in the official 2000 Measure P competition for committing to install a continuous pathway from the project site to Live Oak High School. In addition, Ms. Hipp stated, Warmington Homes has committed to install the pathway and traffic safety improvements, which clearly satisfy this criteria and consequently request the award of one point resulting in an overall score of 22 points for this section..

Addressing the criteria of Lot Layout and Orientation (18.78,290) section B.2.a., Ms. Hipp articulated: The project acquired the full points for satisfying this criteria in the year 2000 Measure P competition. Even under the new 2001 criteria, this project still has the majority of lots viewing open space/park areas greater than 60 feet per the zoning code. This project, she said, has an approved Tentative Map on the first two phases of 41 allocations. In specific, Lots 42-46, 50-51, 55-57, and Lot 59 view to open/park space. Eleven (11) of the fifteen (15) units requested in this 2001 competition view directly to open/park space in excess of 60 feet per this criteria. Ms. Hipp clarified, this is in excess of a 50 percent majority for this Measure P application. "We ask that the Commission award the project the full one point for satisfying this criteria and that our final score is a total of 15 points for this section," Ms. Hipp concluded.

Scott Schilling, 16060 Caputo Dr. #160, made a statement indicating he is "in agreement with staff and the Commissioners" on the matter of projects containing R-1 and R-2 Zoning."

Rocke Garcia, 100 E 3rd. St., referenced a protest letter sent to Commissioners and Planning staff regarding the deduction of two (2) points under Housing Needs B.2 for the Madrone Crossing/Capriano project. Staff originally scored "Over and above the BMR units committed in this section, provides an additional 10% detached units in an R-2 project or an additional 10% attached units in an R-1 project" and recommended two (2) points. Staff has now concluded that Madrone Crossing "has not provided the additional 10% within each of the zoning classifications" and deducted those two (2) points.

"We believe the correct interpretation of the criteria is that the developer may, if he chooses, apply the 10% in either the R-1 or the R-2. Staff believes that during the orientation for the Measure P developers this criteria was discussed. I attended that meeting, as well as my engineer, and neither of us remember staff discussing the way the criteria is now being interpreted," Mr. Garcia said.

Continuing, Mr. Garcia contended, "During the General Plan process, we made our presentation to City Council and specifically addressed why we wanted to maintain the R-2 zoning for the detached homes, as this criteria under Housing Needs was new to Measure P and we wanted to garner these two (2) points."

Mr. Garcia also inquired of Public Works the designation of Tilton Street? SE Creer was present and conveyed that the General Plan lists Tilton as a 'general street' with about 3000 - 3500 vehicle trips per day. Chair Sullivan asked if the designation should be revised? Commissioner Lyle spoke to the issue of safe walking conditions in the area, noting 1 point was given for that category and wondered if a second point should be awarded for functioning as a collector/arterial now. He stated that the street functions as a by-pass now with the increase in regional traffic.

With no others wishing to address the matter, the public hearing was closed.

Commissioners discussed several points, including possible conflicts with General Plan designations where safety is a concern.

Mr. Garcia and SP Linder addressed the issue(s) of traffic signals and warning lights in view of previous Measure P commitments.

Commissioners also spoke to the components of Measure P, and in the sections dealing with schools, Commissioners Acevedo, Lyle, McMahon, Sullivan and Weston said 1 point should be award to Mr. Garcia. Benich favored giving 0 points, with Commissioner Mueller stating it could be 1 or 2.

By consensus, Commissioners agreed that the R1 and R2 zoning issue of awarding TDCs as previously indicated would stand, but would be 'look at strongly' for next year's competition.

SP Linder called attention to the Delco project, asking if the Commissioners wished to

increase the score even though the project application had not indicated the option for the purchase of TDCs.

Following considerable discussion, and by consensus, Commissioners decided not to increase the score, noting that in the past a developer had 'not paid attention to specific issues and the decision then had been to stay with the application as submitted, not accepting new information'. Therefore, the score for MP-01-05 remained at 178.

Staff was directed to prepared a resolution for action at the next meeting indicating that agreement with the final scoring as presented this evening would be recommended to the City Council.

PM Rowe returned to the meeting and the Commission once again focused on Other Business, **AGENDA ITEM 9**, possible rescheduling of April 9, 2002 Planning Commission meeting. Mr Rowe announced the Morgan Hill Unified School District Office meeting room is available for holding the Planning Commission Meeting as scheduled on April 9, 2002. By consensus, it was agreed by all present that the meeting will take place at that facility beginning at 7:00 p.m.

**3) UPA-98-07:
MONTEREY-
IRISH
CONSTRUCTION**

A request for approval to amend an existing conditional use permit to demolish an existing 2,000-sf office use within an 18,390-sf construction office and staging yard, and replace with a 3,976-sf office space. The subject site is located at the southeast corner of Monterey Road and Burnett Avenue.

PM Rowe advised the Commission that the applicant was requesting a further continuance to the April 9, 2002 meeting to allow additional time to complete their review of the recommended conditions of approval.

Chair Sullivan opened the public hearing.

As no one indicated a desire to speak, the public hearing was closed.

BY UNANIMOUS VOTE, ALL COMMISSIONERS PRESENT APPROVED A MOTION BY COMMISSIONERS ACEVEDO/MUELLER TO CONTINUE THE MATTER TO THE APRIL 9, 2002 PLANNING COMMISSION MEETING AT THE REQUEST OF THE APPLICANT.

By consensus, and because of the number of interested persons present, **items 7 and 8** were taken up at this time.

OTHER BUSINESS:

**7) SELECTION
OF TWO COM-
MISSIONERS
TO SERVE ON
MEASURE P
UPDATE
COMMITTEE**

PM Rowe presented the staff report, stating that at its February 27th meeting, the City Council directed staff to form a committee to develop potential changes to Measure P.

PM Rowe said this request is the Commission appoint two members to serve on this committee. Commissioners Lyle and Weston indicated interest in the Measure P Update Committee and agreed to be volunteers on the committee. This being agreeable with other members of the Commission, they were duly appointed to the

posts by Chair Sullivan.

Although this item was not required for public hearing, Commissioners were interested to hear that Richard Oliver and Scott Schilling were writing letter to the City Council requesting appointment to this committee. It was suggested that those letters be copied to the City Clerk as well.

**8) APPOINTMENT
OF SUBCOM-
MITTEE TO
REVIEW RDCS
STANDARDS
AND CRITERIA**

PM Rowe gave the staff report, beginning with a reminder that Section 18.78.188(C) of the Residential Development Control System (RDCS) Ordinance requires the Planning Commission to review the RDCS standards and criteria following each RDCS competition, to determine whether any changes or amendments are necessary for the next competition. In recent years, he said, the Commission has appointed a subcommittee to conduct the required review. Any changes which would be proposed this year, PM Rowe contended, would need to be completed in the very near future, if those changes are to apply to the next competition. All of the rules governing the next competition, such as the number of allotments, distribution by type, changes to standards and criteria, etc., should be completed and approved by the City Council during the month of June, he affirmed.

In order to expedite the review process, PM Rowe recommended the Commission appoint a subcommittee to work with City Staff.

PM Rowe requested the Commission provide direction regarding changes they would like to have considered at this time. In addition, he stated that City Staff involved in the scoring of Measure P projects would like the opportunity to meet with the subcommittee to address specific changes in the evaluation categories that would simplify the scoring process or provide more objective scoring criteria.

Staff recommends, PM Rowe said, the appointment of two or three members from the Planning Commission to serve on a subcommittee. Further, he continued, there should be an appointment or staff should be directed to recruit representatives from the development community and possibly the School District to also serve on the subcommittee.

Addressing a second issue within the proposal, PM Rowe said there should also be consideration at this meeting to assign direction to staff and the subcommittee regarding changes, and direct the committee to complete its work in time for consideration by the full Planning Commission at a public hearing to be held at the May 14, 2002 Commission meeting.

Commissioners discussed potential composition of the committee. It was subsequently decided that three Commissioners and two developers, with one alternate (those three being named by the development community) would comprise the committee. Commissioners Benich, Lyle, and Mueller were named as the Commissioner members, with Carolyn Hipp and Rocke Garcia the development representatives, and Vince Burgos the alternate.

Scott Schilling asked that one of the items to be discussed include raising the number of units in Micro projects from 5 to 6.

Commissioner Mueller commented staff has a list to begin to work from following the discussions of the last few meetings. It was agreed by the Commissioners that if they have other concerns or items of interest, those should be forwarded to staff for presentation to the committee.

The order of the agenda was resumed.

NEW BUSINESS:

**5) ANX-02-01/
ZA-02-01:
COCHRANE-
BORELLO I**

A request to annex approximately 14 acres located east of Peet Rd., south of Cochrane Road and prezone the parcel from County Agriculture to R-1/12,000, Single-Family Low.

PM Rowe presented the request which is composed of the annexation and zoning amendment (pre-zoning) proposal and includes one 14.03-acre parcel of land, fronting onto Peet Road. The parcel supports cultivated farmland consisting of row crops, a fruit tree orchard, and supporting agriculture structures.

The applicant, PM Rowe said, is requesting to annex a 14.03-acre site into the City of Morgan Hill. The subject site is currently surrounded on three sides by the City's boundary. Therefore, inclusion of the parcels into the City limits would represent a logical adjustment of the boundary. In addition, under the terms of the 1984 Cochrane Road Assessment District (CRAD) court judgement, the City agreed to accept and process, to an approval, applications for annexation and pre-zone within the CRAD area. The subject site is located within the City's Urban Service Boundary. Existing water and sewer lines are available within the site vicinity, and are of sufficient size to service future development of the site.

Staff recommends approval of the annexation and pre-zone request, PM Rowe stated, saying the proposed annexation represents a logical adjustment of the City's boundary. He further noted to allow for the future division of the parcel, a zoning designation of RI-12,000 would be necessary.

Commissioner Acevedo requested clarification as to the exact location of the property. PM Rowe pointed it out.

PM Rowe also said this annexation will 'square off' boundaries of the City's Urban Service Area. He then provided a history of the property and the issues surrounding the City's Urban Service Area at that location.

Chair Sullivan opened the public hearing.

Vince Burgos, 352 S. Eagle Nest Lane, Danville, explained that originally this was a two-parcel application, but was split for ease in understanding. He indicated that the parcels has been split for application purposes with Mr. Oliver and Mr. Taylor working on resolution of a school site on the remaining property. Mr. Burgos called attention to the letter submitted regarding the property, "The Applicant is requesting that the zoning on the subject property be prezoned to R-1 (12000)." he said, "to conform with the General Plan designation of Single Family low. This is consistent with the Cities revised General Plan completed in 2001. It will provide housing product needed in the City Of

Morgan Hill. The subject property is in the U.S.A. boundary. City utilities exist near the project frontage to serve the site.”

Commissioner Weston asked if there were a potential for building problems on the parcel. PM Rowe responded that was not the case.

David Fanara, 1960 Cochrane Rd., identified himself as a resident and ‘horse keeper’ in the region. He said, “I am an island there and surrounded by lands that are in the City. I want to remain in the County. If I am swallowed by the City, keeping horses and other animals might be difficult.” He stressed that he did not object to the matter per se, but just wanted to let his position be known.

The public hearing was closed.

Commissioner Lyle asked if the high pressure gas line near the property is mentioned in the negative declaration? PM Rowe replied the matter would be addressed as time for actual development draws nearer.

Commissioner Mueller said he would have preferred to have the two parcels come in as one annexation.

Chair Sullivan commended Mr. Fanara for coming forward, saying she hoped he could hang on to that portion of agriculture there.

COMMISSIONERS MUELLER/McMAHON MOTIONED TO APPROVE THE NEGATIVE DECLARATION. THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: ACEVEDO, BENICH, LYLE, McMAHON, MUELLER, SULLIVAN, WESTON; NOES: NONE ; ABSTAIN: NONE; ABSENT: NONE.

COMMISSIONERS MUELLER/McMAHON MOTIONED TO ADOPT RESOLUTION NO. 02-23, RECOMMENDING APPROVAL OF A ZONING AMENDMENT FROM COUNTY A-SR TO R1-12,000. THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: ACEVEDO, BENICH, LYLE, McMAHON, MUELLER, SULLIVAN, WESTON; NOES: NONE ; ABSTAIN: NONE; ABSENT: NONE.

COMMISSIONERS MUELLER/McMAHON MOTIONED TO ADOPT RESOLUTION NO. 02-24, RECOMMENDING APPROVAL OF THE ALTERATION OF BOUNDARIES OF THE CITY OF MORGAN HILL BY ANNEXATION THERETO OF CERTAIN TERRITORY DESIGNATED "COCHRANE ROAD NO. 12", AND WITHDRAWAL OF SAID TERRITORY FROM THE SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT. THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: ACEVEDO, BENICH, LYLE, McMAHON, MUELLER, SULLIVAN, WESTON; NOES: NONE ; ABSTAIN: NONE; ABSENT: NONE.

**6) UP-02-01:
CONDIT-LIVE
WIRE**

A request for approval of a conditional use permit for a 40,786 sq. ft. Harley-Davidson dealership on a 2.43 acre parcel located on Condit Rd., south of E. Dunne Ave. and north of Tennant Ave. The proposed use is located in the PUD zoning

district.

PM Rowe introduced AP Scott Plambaeck who gave the staff report. AP Plambaeck reported that in September of 2000, the City Council adopted Ordinance 1488, establishing uses for Planned Unit Development (PUD) districts along Condit Road and Dunne Ave. The City Council adopted Ordinance Number 1544, on February 6, 2002, which established development plans and design guidelines for the PUD along Condit Road.

AP Plambaeck listed the approved uses in the Condit PUD, which included motor vehicle sales and service as a conditional use. The Condit PUD, AP Plambaeck said, currently has one motor vehicle and service use, Dan Gambel RV.

AP Plambaeck noted that the applicant, Live Wire, has requested that a Harley-Davidson motorcycle dealership and service shop be conditionally allowed within the Condit PUD. The applicant, who was present at the meeting, is proposing building an initial two-story building of 25,786 sq. ft. with future expansion of an additional 15,000 sq. ft. for a total of 40,786 sq. ft.

AP Plambaeck explained that the proposed dealership will sell Harley-Davidson motorcycles, Harley-Davidson clothing, parts, accessories and provide servicing for Harley-Davidson motorcycles. According to the applicant's statement of proposed operation, he said, the service department will not do welding or body work of any kind. It is to be understood, AP Plambaeck stated, that the services will include preparing new motorcycles for sale, the installation of parts and accessories, and minor repairs and service, such as oil changes and tune-ups.

AP Plambaeck identified the components of the business: The proposed two-story building will initially have 10,661 sq. ft. of retail space, 1,298 sq. ft. of office space and 13,287 sq. ft. of warehouse space. After the future expansion the building will have 15,911 sq. ft. of retail space, 1,600 sq. ft. of office space, and 23,275 sq. ft. of warehouse space. The dealership and service department will have approximately 14 employees and be open 9 a.m. to 8 p.m., seven days a week.

AP Plambaeck told Commissioners that the PUD requires all outdoor storage of goods, materials or equipment to be visually screened. The applicant will have all sales, service, and displays inside.

Regarding site suitability, AP Plambaeck said the proposed use would be the second motor vehicle sales and service use in the PUD. The use would be about 150 feet south of the Comfort Inn Motel and about 200 feet north of the homes on the adjacent property to the south, consequently, there should be minimal impact from the proposed use.

According to the site plan provided, the applicant will provide a total of 76 parking spaces, with 15 additional spaces for motorcycles. At total build-out of 40,786 sq. ft., the site would require 72 parking spaces. The applicant has sufficient parking for the proposed use, AP Plambaeck reported.

Addressing the issue of circulation, AP Plambaeck said the use would not have a significant impact upon circulation or the planned capacity of the street system. The

proposed use is a 'niche market' that would produce less traffic than a restaurant or car dealership. The site will have circulation around the entire building and joint access for future projects adjacent to the property.

The proposed use is compatible with surrounding uses. The proposed use would not create hazardous materials, excessive noise, odors, or adversely effect the peace, health, safety, morals or welfare of persons residing or working in the surrounding area. As part of the service component, the applicant will have no more than 50 gallons of oil stored in an above ground drum and 16 gallons of gasoline stored in a locked, fireproof cabinet. These materials will be stored inside in accordance with the Fire Department Hazardous Material regulation.

Commissioner McMahon was excused at 10:07 p.m.

Regarding the design, AP Plambaeck informed that the site meets the setbacks, landscaping buffer requirements, and shared access requirements of the Condit PUD.

AP Plambaeck indicated that Staff believes that the conditional use permit for a Harley-Davidson motorcycle dealership and service shop is compatible with surrounding uses and the uses specified in the Condit PUD. Therefore, he said, staff recommends approval of the conditional use permit application UP-02-01: Condit-Live Wire, subject to the conditions noted in proposed Resolution No. 02-25.

Commissioner Mueller asked for information about potential test rides, i.e., proposed routes, noise, effects on surrounding residential areas, etc.

Commissioner Weston asked that if there were a proposal to expand the business/building in the future, if there was sufficient room to do so? [Yes]

Commissioner McMahon rejoined the meeting at 10:10 p.m.

Chair Sullivan opened the public hearing.

Daniel Stern, 6410 Camino Verde Dr., San Jose, was identified as the representative of the applicant, and answered questions regarding the demonstration rides, and explained the suggested routes for potential buyers of the machines. He also addressed the noise issues, commenting on requirements of EPA and the prohibition of retrofitting by authorized dealers. Responding to questions regarding a profile of motorcycle operators, Mr. Stern said it appears from studies that the average operator is 45 years of age with an income in excess of \$70K per year.

Commissioner Mueller asked about the location and openness of the service area. Mr. Stern responded that the repair facility is in a closed location - mainly, he said, because of the costs of the machinery, both the business equipment and the motorcycles.

Other Commissioners asked for further clarification on the route for demonstration rides, the hours of service and sales, the canopy covering the delivery dock, landscaping, and the potential for growth of the business, all of which Mr. Stern addressed.

Doug Bennett, 16969 John Telfer Dr., urged approval of the request, saying he supports

the application, and believes it will be of benefit to cyclist in the area who belong to riding clubs. He said it could be a gathering place for clubs to begin rides, noting that those don't begin too early.

Bill Casson, 2411 Old Crow Canyon Rd., San Ramon, was present to answer questions from the Commissioners and addressed the parking on the site.

The public hearing was closed.

Commissioners engaged in discussion regarding possible disruption of lodging of customers in the area and the potential for drainage issues at the site. It was ultimately reckoned that lodging revenues may increase with motorcyclists being attracted to the area.

Responding to issues raised by Commissioners regarding noise and hours of operation, PM Rowe said there are requirements in Commercial and Industrial areas of the City where performance standards must be met relative to noise transmission at the property line.

COMMISSIONERS MUELLER/BENICH MOTIONED TO APPROVE THE NEGATIVE DECLARATION. THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: ACEVEDO, BENICH, LYLE, MCMAHON, MUELLER, SULLIVAN, WESTON; NOES: NONE ; ABSTAIN: NONE; ABSENT: NONE.

COMMISSIONERS BENICH/MUELLER MOTIONED ADOPTION OF RESOLUTION NO. 02-25, APPROVING A CONDITIONAL USE PERMIT TO ALLOW FOR A 40,786 SQUARE FOOT HARLEY-DAVIDSON MOTORCYCLE DEALERSHIP AND SERVICE SHOP IN THE CONDIT ROAD PLANNED UNIT DEVELOPMENT (PUD) ZONING DISTRICT.

Under discussion of the motion, Commissioners indicated lingering concerns about the hours of operation and the potential noise levels and subsequent effects on residential areas nearby.

Commissioner Lyle suggested the use permit be conditioned to include a new item in Section 3 with language concerning a building commencement date not to exceed 15 months from this date (March 26, 2002). That notion was agreeable with the originators of the motion.

Further discussion, and agreement by the makers of the motion, resulted in the following language being inserted to complete E 1:

“or exceed noise levels at the property line as specified in Section 18.48.090(A) of the Morgan Hill Municipal Code.”

THE MOTION PASSED WITH THE FOLLOWING VOTE: AYES: ACEVEDO, BENICH, LYLE, MCMAHON, MUELLER, SULLIVAN, WESTON; NOES: NONE ; ABSTAIN: NONE; ABSENT: NONE.

ANNOUNCEMENTS:

Commissioner Mueller raised the matter of the data received from the Department of Finance. By way of explanation, he said the end result would be a reduction in the census figure and that will cause a significant reduction in the number of housing allocations available for future years.

Chair Sullivan announced there were to be two anticipated vacancies on the Planning Commission, as both she and Commissioner McMahon had tendered their resignations, while promising to stay on until replacements were named. She urged residents to seriously consider applying to be part of the action and become Commissioners.

Commissioner Benich thanked the City for the opportunity to attend the Planning Institute, saying it had been very educational, with some time for fun.

ADJOURNMENT: There being no further business, Chair Sullivan adjourned the meeting at 10:40 p.m..

MINUTES RECORDED AND PREPARED BY:

JUDI H. JOHNSON, Minutes Clerk